

Long Term Care Financing

Governor's Commission on Medicaid Care Management

**Dr. Jonathan McCosh
Assistant Professor
Colby-Sawyer College
June 11, 2015**

Long Term Care Funding

- **Medicaid**
- **Medicare**
- **Other Government Programs
(Title XX and Title IIIB)**
- **Private Insurance**
- **Private Pay**
- **Other**

Medicaid Long Term Care Funding – 2015 Budget

Nursing Services – County Participation (5942)

\$ 195.5M Nursing Homes

\$ 49.2M Home Health Care

\$ 10.1M Mid-Level Care

Medicaid Long Term Care Funding – 2015 Budget

Other Medicaid Funding

\$ 65.0M Provider Payments

**\$ 75.3M Medicaid Quality
Incentive Program**

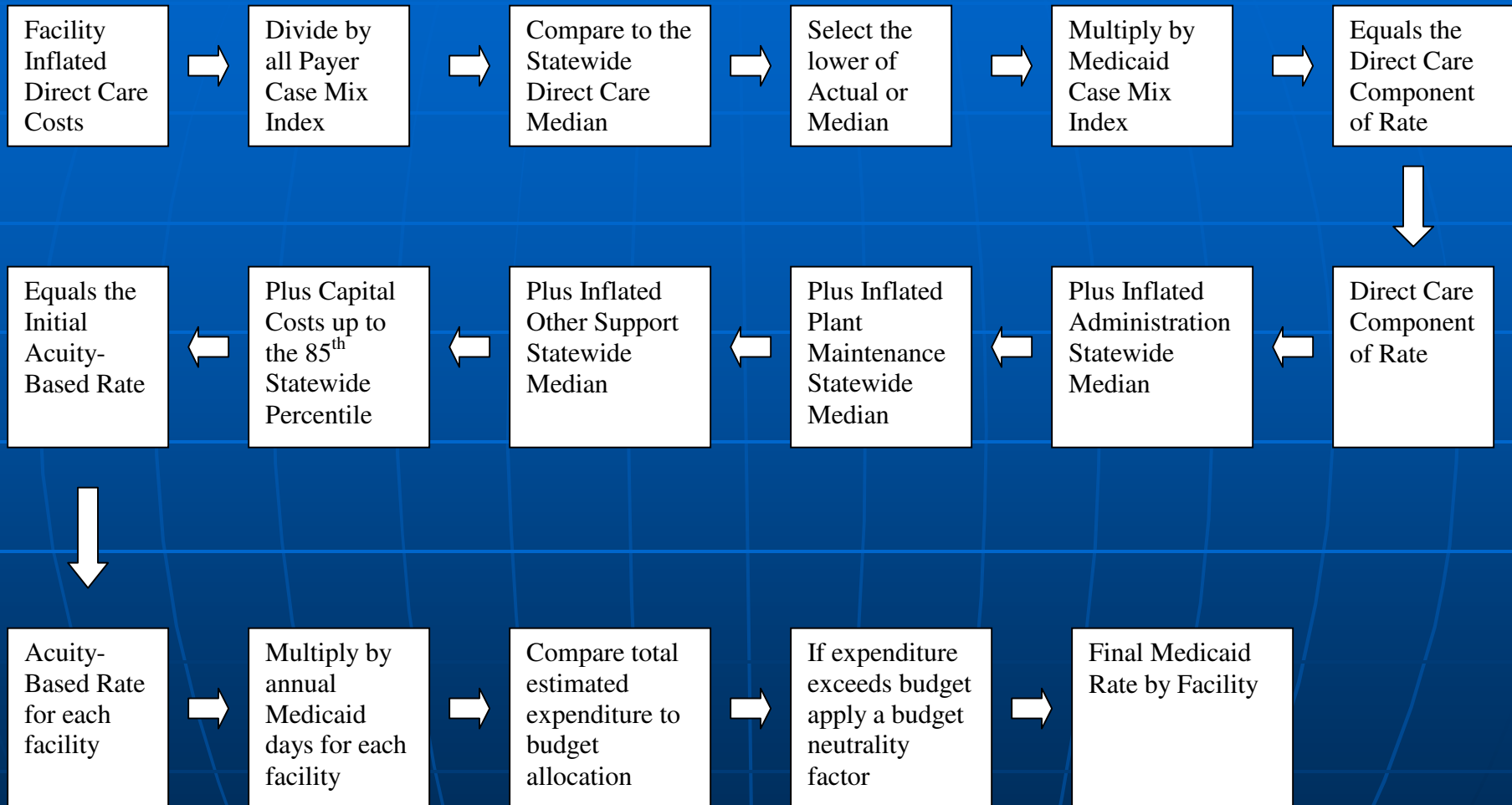
\$ 44.2M Prospective Share

Long Term Care Funding – 2015 Budget

Other Funding

\$ 24.8M Grants

Acuity-based Rate Calculations



Medicaid Quality Incentive Program

- **Began November 1, 2004 –
Retroactive to May 1, 2003**
- **Provides incremental federal
funding to nursing facilities**
- **Quality Assessment of 5.5% of
Net Patient Services Revenue**

Prospective Share

- **Applies only to County Nursing Facilities**
- **State Calculation of variance between Medicaid rates and the Medicare rates for these same residents**
- **Requires 10 months of actual data and 2 months of estimates**

Medicaid Managed Care Issues

- **New Hampshire's reimbursement system for Long Term Care is unique**
- **Initial communication indicated that the State would continue with the MQIP and Proshare**
- **Unclear how the M.C.O's could logistically do these payments**

Medicaid Managed Care Issues

- **Acuity-based reimbursement has been in effect since 1999 – It is well understood by providers**
- **Provides incentives for facilities to take higher acuity residents**
- **Need for this level-of-care due to demographic trends and to offer a full continuum of care**

Medicaid Managed Care Issues

- **Most states with Medicaid Managed Care continue to use State calculations for Nursing Facility rates**
- **Limited history on M.C.O. rate calculation for long-term care**
- **L.T.C. is generally not a profit center for the M.C.O.**

Questions ???